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F. No. 22/01/2025-DGTR
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Trade Remedies
4th Floor, Jeevan Tara Building, 5,
Parliament Street, New Delhi

INITIATION NOTIFICATION
Case No. (SG) – 01/2025

Date: 30.09.2025

Subject: – Initiation of Bilateral Safeguard Investigation concerning imports of “Non-Phthalate Plasticizers in the form of Dioctyl Terephthalate (DOTP) and Diethylhexyl Cyclohexane (DEHCH)” under the India-Korea Comprehensive Economic Partnership Agreement.

F. No. 22/01/2025-DGTR – An application has been filed under the Comprehensive Economic Partnership Agreement (“CEPA”) signed between India and Korea RP, and India-Korea Comprehensive Economic Partnership Agreement (Bilateral Safeguard Measures) Rules, 2017 (hereinafter also referred to as the “Bilateral Safeguard Rules” or the “Rules”) by KLJ Plasticizers Limited (hereinafter also referred to as the “applicant”) seeking complete withdrawal of the concessions given with regard to Customs duty applicable on imports of Non-phthalate Plasticizers in the form of Dioctyl Terephthalate (DOTP) and Diethylhexyl Cyclohexane (DEHCH) (hereinafter also referred to as the “product under consideration” or the “subject goods”) from Korea RP (hereinafter referred to as the “subject country”).

A. Product under Consideration and like article

1. The product under consideration is Non-Phthalate Plasticisers in the form of Dioctyl Terephthalate (DOTP) and Diethylhexyl cyclohexane (DEHCH). Dioctyl Terephthalate is also known as Di-(2-ethylhexyl) 1,4 benzene di carboxylate or DOTP. Diethylhexyl cyclohexane is also known as Bis(2-ethylhexyl) cyclohexane-1,4-dicarboxylate or DEHCH. DOTP is an organic compound with the chemical formula $C_{24}H_{38}O_4$. The product can be identified by the CAS No. 6422-86-2. It is a diester of terephthalic acid and the branched-chain 2-ethylhexanol. DEHCH, having the chemical formula of $C_{24}H_{44}O_4$, can be identified by the CAS No. 84731-70-4. It is a hydrogenated form of DOTP.
2. Non-phthalate plasticisers are of several types such as Dioctyl Terephthalate, Diethylhexyl cyclohexane, Diisononyl cyclohexane-1,2-dicarboxylate (DINCH),

Dibenzoates and Isosorbide diesters etc., However, only two types of non-phthalate plasticizers are included in the product scope, namely Dioctyl Terephthalate (DOTP) and Diethylhexyl cyclohexane (DEHCH).

3. The product under consideration is a colourless viscous liquid which possesses good plasticizing properties and is used as alternative to phthalate-based plasticizers, such as, diethylhexyl phthalate and diisononyl phthalate. The product under consideration is used as a plasticizer for PVC, and as a replacement for ortho-phthalates in a wide range of applications. With the addition of plasticizers, PVC compounds become flexible and become suitable for use as wire and cable insulation, roofing membranes, toys, medical devices, as well as for products used in food packaging and processing. The product under consideration is also used in the paints and varnishes industry and for production of high-temperature cables, automotive plastic parts and leatherette. It is also used in paper finishing in the calendaring process and in extrusion, moulding, coatings and several ink applications as well as being patented for use in latex compositions for hair care products.
4. Dioctyl terephthalate is manufactured from an esterification reaction wherein purified terephthalic acid and 2-Ethyl Hexanol, in presence of a catalyst are heated in a reactor while stirring. Water is generated and separated during the production process, which neutralises the mass. The reaction mass is neutralized after the removal of the excess water. After such neutralisation, the soap is removed from the resultant compound, and the compound is stripped resulting in the removal of all excess alcohol. Thereafter, the compound is dried for the removal of moisture. Next, the compound is carbon treated in order to improve the glossiness of the same and finally, the compound is filtered. Once the filtered cake is removed from the compound, the result of the process is Dioctyl Terephthalate.
5. DEHCH is manufactured through a high-pressure hydrogenation process wherein pure Dioctyl Terephthalate, in the presence of a catalyst, is stirred and hydrogenated in a reactor. The resultant reaction mass is filtered to separate the catalyst, which is then collected for reuse in the next batch. The filtered material is known as Diethylhexyl cyclohexane.
6. The product under consideration in Non-Phthalate Plasticisers in form of DOTP and DEHCH. Non-Phthalate Plasticizers in form of DOTP and DEHCH have been produced by the domestic industry and imported from the subject country during the period of investigation. DOTP and DEHCH have comparable characteristics, and directly compete with each other. DOTP and DEHCH are easily substitutable in different applications, and are used interchangeably by the same users in India.
7. There are no known differences in products manufactured by the domestic industry and that imported from the subject country. The goods are comparable in terms of physical & chemical characteristics, functions & uses, pricing, distribution & marketing, and tariff

classification of the goods. The two are technically and commercially substitutable. The subject goods produced by the domestic industry is a like article to the goods that is imported from subject country.

8. The product under consideration falls under the category of organic chemicals under Chapter 29 and is classifiable under tariff code 2917 20 00 and 2917 39 20. However, the goods are also imported under 2917 13 90, 2917 32 00, 2917 33 00, 2917 39 30, 2917 39 50 and 2917 39 90. The Customs classification is indicative and is not binding on the scope of the product under consideration.

B. Domestic industry and standing

9. The application has been filed by KLJ Plasticizers Limited. In addition to the applicant, there are other domestic producers of the like article in India, namely, Payal Polyplast Limited, Payal Plastichem Private Limited and Rachna Plasticizers. The applicant has submitted that there are two other entities, namely, Marvel Vinyls Limited and Vinyl Products Private Limited which are major importers of the product but may be engaged in production of small quantities of like articles in India.
10. The application has been supported by Payal Polyplast Private Limited and Payal Plastichem Private Limited. Based on the information provided, the applicant constitutes a major proportion of the total domestic production of the like or directly competitive goods in India. Accordingly, the applicant constitutes domestic industry under the provisions of Rule 2(1)(b) of the Bilateral Safeguard Rules.

C. Period of investigation

11. The period considered for the purpose of the present investigation is 1st April 2021 to 31st March 2025. The Authority has considered 1st April 2024 to 31st March 2025 as the most recent period.

D. Subject country

12. The country involved in the present investigation is Republic of Korea ("Korea RP").

E. Increase in Subject Imports

13. The applicant has claimed that imports originating from Korea RP have increased in both absolute terms and relative to domestic production, due to the phased reduction and elimination of custom duty on imports of the product under consideration. The imports from the subject country have increased under such conditions that the said imports have caused serious injury to the domestic industry. The rate of increase in imports of subject goods is higher than the increase in rate of demand for the subject goods.

F. Serious Injury to the domestic industry

14. The applicant has claimed that the increase in imports from subject country has caused serious injury to the domestic industry. The imports from Korea RP have increased in absolute terms and in relation to Indian production. Such increase in imports is more than the increase in demand. The subject imports are undercutting the prices of the domestic industry and have entered India at prices below the cost of sales of the domestic industry. The subject imports have depressed the prices of the domestic industry. The performance of the domestic industry has deteriorated during the period considered. In the most recent period, the domestic industry has incurred losses, cash losses and negative return on capital employed.
15. The Authority finds that there is prima facie evidence that the imports of the product under consideration from the subject country have increased in absolute and relative terms, causing serious injury to the domestic industry, and there is causal link between increased imports and serious injury caused to the domestic industry.

G. Initiation of Bilateral Safeguard measures

16. Having determined that there is sufficient prima facie evidence to justify initiation of the safeguard investigation, the Authority considers it appropriate to initiate the investigation in order to determine whether the imports of the product under consideration from Korea RP constitute increased imports due to the phased reduction and elimination of custom duty on imports of the product under consideration and whether the increased imports have caused or are threatening to cause serious injury to the domestic industry.

H. Submission of information

17. All communication should be sent to the Authority via email at the email addresses jd11-dgtr@gov.in, adv13dgtr@gov.in, dir16-dgtr@gov.in and consultant-dgtr@nic.in within 30 days from the date of this notification as per Rule 5(4) of the India-Korea Comprehensive Economic Partnership Agreement (Bilateral Safeguard Measures) Rules. It should be ensured that the narrative part of the submission is in searchable PDF/MS Word format and data files are in MS Excel format.
18. It may, however, be noted that in terms of explanation of the said Rules, the notice calling for information and other documents shall be deemed to have been received within one week from the date on which it was sent by the Authority or transmitted to the appropriate diplomatic representative of Korea RP. If no information is received within the prescribed time limit or the information received is incomplete, the Authority may record its finding on the basis of the facts available on record in accordance with the Rules.

19. Parties interested in the investigation are hereby advised to intimate their interest (including the nature of interest) in the instant investigation and file their questionnaire response/submissions within the time limit specified above.
20. Interested parties are further advised to keep a regular watch on the official website of the Directorate General of Trade Remedies (<http://www.dgtr.gov.in>) for any updated information with respect to this investigation as well as further processes related to the investigation.
21. All known interested parties are being informed separately to enable them to file the relevant information in the form and manner prescribed within the time limit specified. Any other interested party may also make its submissions relevant to the investigation in the form and manner prescribed within the time limit specified above.
22. Any party making any confidential submission or providing information on confidential basis before the Authority, is required to simultaneously submit a non-confidential version of the same. Failure to adhere to the above may lead to rejection of the response/submissions. The parties making any submission (including Appendices/Annexures attached thereto), before the Authority including questionnaire response, are required to file confidential and non-confidential versions separately.
23. The “confidential” or “non-confidential” submissions must be clearly marked as “confidential” or “non-confidential” at the top of each page. Any submission made without such marking shall be treated as non-confidential by the Authority, and the Authority shall be at liberty to allow the other interested parties to inspect such submissions.
24. The confidential version shall contain all information which is by nature confidential and/or other information which the supplier of such information claims as confidential. For information which are claimed to be confidential by nature or the information on which confidentiality is claimed because of other reasons, the supplier of the information is required to provide a good cause statement along with the supplied information as to why such information cannot be disclosed.
25. The non-confidential version is required to be a replica of the confidential version with the confidential information preferably indexed or blanked out (in case indexation is not feasible) and summarized depending upon the information on which confidentiality is claimed.
26. The non-confidential summary must be in sufficient detail to permit a reasonable understanding of the substance of the information furnished on confidential basis. However, in exceptional circumstances, the party submitting the confidential information may indicate that such information is not susceptible to summary, and a statement of reasons why summarization is not possible must be provided to the satisfaction of the

Authority. In case any interested party is not satisfied on the claim of confidentiality the party can raise an objection on the claim within seven (7) days of receiving the non-confidential version of the documents.

27. The Authority may accept or reject the request for confidentiality on examination of the nature of the information submitted. If the Authority is satisfied, the request for confidentiality is not warranted or if the supplier of the information is either unwilling to make the information public or to authorize its disclosure in generalized or in summary form, it may disregard such information.
28. Any submission made without a meaningful non-confidential version thereof or without good cause statement on the confidentiality claim shall not be taken on record by the Authority.
29. The Authority on being satisfied and accepting the need for confidentiality of the information provided, shall not disclose it to any party without specific authorization of the party providing such information.

I. Inspection of Public File

30. A list of registered interested parties will be uploaded on the DGTR's website along with the request therein to email the non-confidential version of their submissions/response/information to all other interested parties. Failure to circulate non-confidential version of submissions/response/information might lead to consideration of an interested party as non-cooperative.

J. Non-cooperation

31. In case where an interested party refuses access to, or otherwise does not provide necessary information within a reasonable period, or significantly impedes the investigation, the Authority may record its findings on the basis of the facts available to it and make such recommendations to the Central Government as deemed fit.



**(Siddharth Mahajan)
Designated Authority**